



David P. O'Brien
Chairman of the Board

Royal Bank of Canada
Royal Bank Plaza
200 Bay Street
Toronto, Ontario M5J 2J5

October 19, 2012

Ms. Ann Yerger
Executive Director
Council of Institutional Investors
888 17th Street, NW
Suite 500
Washington, DC 20006-3310

Dear Ms. Yerger:

Thank you for your letter dated August 10, 2012.

Royal Bank of Canada ("RBC") shares your view of the importance of investor confidence and market integrity in the Capital Markets. RBC is Canada's largest bank and among the 15 largest banks globally by market capitalization. We are among the most highly rated financial institutions in the world due to our strong capital base and highly liquid balance sheet, and our financial strength is supported by a strong risk culture and industry-leading corporate governance practices. RBC prides itself on being a values-based financial services company with integrity at the core of our culture.

As you know, RBC is a panel member bank for LIBOR in relation to four currencies. RBC is not a panel member bank for EURIBOR. It is our understanding that all of the nearly 20 banks that are responsible for setting LIBOR have been asked for information by various regulators. RBC continues to fully cooperate with its regulators in their requests for information and is supportive of the Financial Services Authority's reform efforts regarding LIBOR. We have also determined that our LIBOR submissions accurately reflected our perception of our cost of funds and that we did not collude with other banks.

We trust this is responsive to your inquiry.

Yours truly,

(Signed) "DAVID P. O'BRIEN"
Chairman of the Board